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INFO RUEHEE/ARAB LEAGUE COLLECTIVE PRIORITY

RUCNMEM/EU MEMBER STATES COLLECTIVE PRIORITY

RHFISS/CDR USCENTCOM MACDILL AFB FL PRIORITY

RUEAIIA/CIA WASHDC PRIORITY

RHEFDIA/DIA WASHDC PRIORITY

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S E C R E T SECTION 01 OF 03 BEIRUT 000024

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NSC FOR ABRAMS/DORAN/MARCHESE/HARDING STATE FOR NEA/ELA, NEA/FO:ATACHCO

E.O. 12958: DECL: 01/04/2017 TAGS: <u>PGOV PREL PTER LE</u>

SUBJECT: LEBANON: EGYPTIAN AMBASSADOR BELIEVES NASRALLAH

OUT OF OPTIONS

Classified By: Jeffrey D. Feltman, Ambassador. Reason: 1.4 (d)

SUMMARY

11. (S) The Ambassador and Polchief called on Egyptian Ambassador to Lebanon Hussein Derar January 3 to request a readout of Derar's December 29 meeting with Hassan Nasrallah, the first meeting of any Egyptian Ambassador with the Hizballah leader, and the latest on the Amr Moussa initiative. Derar said that Nasrallah, who had no message to offer and was in "listening mode" during their meeting, seems to be suffering from a "bunker mentality" and that the information he receives about the Lebanese political crisis and the world in general is controlled by Hizballah's intelligence apparatus. He warned Nasrallah that the opposition is playing a dangerous game and risking the ignition of a Sunni-Shia conflict in Lebanon. Nasrallah seemed very sensitive to this point and Derar concluded that he is seeking a way out of the crisis before the eruption of any violent clash for which Hizballah can be blamed. Nasrallah even admitted that the threat of a religious civil war is Hizballah's "soft underbelly" and that the pro-government forces had "caught him in it." Though Nasrallah made a point to tell Derar that his supporters could maintain their "sit-in" against the Siniora government for "three years," he also agreed to Derar's suggestion that he needs to open a communications channel to the pro-government side. Derar told Nasrallah that his once-sparkling image in the wider Arab world had become tarnished, and that he should not underestimate USG resolve in opposing Iran and Syrian influence in Lebanon. Derar concluded that Nasrallah seeks reconciliation with Saad Hariri (though he said nothing during their talk regarding the international tribunal) and that the only political figure that Nasrallah really hates is Walid Jumblatt, who has recently escalated the war of words with Hizballah. Derar's estimation, it is not possible to rule out Hizballah resorting to terrorist attacks for lack of better options, but in general he felt the opposition was in retreat. Finally, the Amr Moussa initiative to reconcile Lebanon's political adversaries had not failed, despite being undercut by a competing proposal from Speaker Berri, but Moussa would not return to Lebanon until positive signals manifested themselves in the political scene. End Summary.

¶2. (S) The Ambassador and Polchief called on Egyptian Ambassador to Lebanon Hussein Derar January 3 to request a readout of Derar's December 29 meeting with Hassan Nasrallah, the first meeting of any Egyptian Ambassador with the Hizballah leader, and an update on Arab League Secretary-General Amr Moussa's reconciliation initiative.

SIPDIS

NASRALLAH -- WARY OF RELIGIOUS CONFLICT

- 13. (S) Derar said that Nasrallah, who had no message to offer and was in "listening mode" during their meeting, seems to be suffering from a "bunker mentality" and speculated that the information he receives about the Lebanese political crisis and the world in general is controlled by Hizballah's intelligence apparatus.
- 14. (S) Derar warned Nasrallah that the opposition is playing a dangerous game and risking the ignition of a Sunni-Shia conflict in Lebanon. The Hizballah leader had contradicted his own anti-sectarian message in his last public pronouncements, when he indicated that the opposition would choose its own Sunni Prime Minister to replace Siniora (which Derar compared to Al-Azhar sheikhs replacing Coptic Pope Shenouda), and when he criticized a "Sunni President" for signing the Camp David Accords. Nasrallah seemed very sensitive to the charge of stirring up sectarian tension and Derar concluded that he is seeking a way out of the crisis before the eruption of any violent clash for which Hizballah can be blamed. Nasrallah even admitted that the threat of a religious civil war is Hizballah's "soft underbelly" and that the pro-government forces had "caught him in it." Though Nasrallah made a point to tell Derar that his supporters could maintain their "sit-in" against the Siniora government for "three years," he also agreed to Derar's suggestion that he needs to open a communications channel to the

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pro-government side. Derar told Nasrallah that his once-sparkling image in the wider Arab world had become tarnished, and that he should not underestimate USG resolve in opposing Iran and Syrian influence in Lebanon, nor expect policy reversals that would tilt the Lebanese crisis in his favor.

- 15. (S) Nasrallah said little during the conversation (he "listened carefully and responded politely") with Derar but did make the argument that Syria is "indispensable" for Lebanon. Derar countered that in Egypt's view, most of Syria's actions in Lebanon have been unacceptable to Lebanese. In addition, President Bashar Asad's recent statements, insulting PM Siniora and other Arab leaders, were unacceptable and had contributed to Damascus' isolation. On Iran, Derar urged Nasrallah to "read carefully" the facts that the UN Security Council had passed a sanctions package against Tehran unanimously, and that the United States is moving naval forces into the Persian Gulf. Nasrallah agreed to consider these points and said he would consult with other allies, including former PM Omar Karami.
- 16. (S) Derar concluded that Nasrallah wants reconciliation with Saad Hariri "above all" even though Nasrallah said nothing during their talk regarding the special tribunal. The only political figure for whom Nasrallah has true enmity is Walid Jumblatt, who has recently escalated the war of words with Hizballah. When Nasrallah complained to Derar that Jumblatt had accused him of involvement in the October 2004 bomb attack against Minister Marwan Hamadeh, Derar retorted that Nasrallah had accused Jumblatt and others of being traitors and Zionists, and that Jumblatt's attacks were on a proportionate scale. Prior to the recent exchange of accusations, Nasrallah claimed, he had tried to broker a reconciliation between Asad and Jumblatt -- a reconciliation that Asad, citing his distrust of Jumblatt, refused.
- 17. (S) Nasrallah indicated to Derar that he believed a

conspiracy theory that has circulated in Beirut to the effect that Walid Jumblatt, during a February Washington visit, obtained the USG's agreement to convince Israel to seek an opportunity to launch a war on Hizballah, and that that conspiracy had given birth to the Israeli-Hizballah War in July and August 2006. Despite this hallucination, Nasrallah indicated some give on the issue of the Siniora government's ties to Washington, saying he objected only to what he called Siniora's bringing "American influence" into Lebanon. Derar accepted this but reasoned with Nasrallah that the belief of some that Washington is using Lebanon to topple the Asad government is a farce. He also asked Nasrallah whether he realiy believed that Siniora's relatively weak cabinet was capable of overthrowing the Asad regime.

SUNNIS DEFIANT, READY TO FIGHT

- 18. (S) Derar, who explained his call on Nasrallah to us by noting he had been circulating among all parties in the conflict, recounted several instances in which he had reminded opposition supporters that sectarian violence in Lebanon would be a double-edged sword. Following up on President Mubarak's public warning earlier in December that sectarian tension could take Lebanon back to the days of the Lebanese Civil War, Derar had separate encounters with Druze opposition leader Talal Arslan and former Foreign Minister Fares Boueiz, both of whom warned of the dangers of provoking the Shia oppositionists into a fight. Derar warned them that Sunni fighters were ready to enter Lebanon to back up their faction too, and pointed to the example of the troubles being stirred up in Iraq by a Sunni minority.
- 19. (S) Then, on (telephoned) instructions from President Mubarak, Derar delivered the same message to Speaker Nabih Berri. Derar noted to Berri that Saudi King Abdullah had begun to take a more active interest in backing up the "Sunni side" in the Lebanese crisis, and that he had called each of the members remaining in Siniora's cabinet to express his encouragement. The Saudis are in a similarly defiant mood vis-a-vis Syria, Derar mentioned to us, and discounted any hope of a Saudi-Syria rapprochement in the near future.
- 110. (S) Derar was perhaps not optimistic, but saw few good BEIRUT 00000024 003 OF 003

options remaining for the opposition. He agreed, with the Ambassador, that the specter of Sunni-Shia conflict had played a moderating role in the political crisis and kept both sides from crossing red lines. Derar speculated that for Tehran and Damascus, a religious war would be a disaster for several reasons. Foremost, they both would lose the influence they had built up in Lebanon for three decades. In addition, the pressure that Syria's Sunnis would put on Asad would surely be fatal for the Syrian regime. The Ambassador asked whether Hizballah might resort to terrorist attacks once again against embassies in Beirut or against UNIFIL, Derar said that all options remain open, but that in general the opposition is in a "slight retreat."

MOUSSA INITIATIVE

111. (S) Amr Moussa had the support of Syria, Saudi Arabia and "everyone" in Lebanon, Derar said, but "everyone turned out to be a liar." At the end of his three December mediation trips to Lebanon, the parties would not accept the details of his proposal. Moussa told Derar that he would announce that his initiative had failed, to which the Egyptian Ambassador's initial reaction was (he noted laughingly) to ask Moussa to announce it from the far remove of Cairo. Derar caught up with Moussa in Cairo shortly after Moussa's final departure from Lebanon December 21, and persuaded Moussa not to give up hope and to characterize the outcome as a "non-success" rather than a failure.

112. (C) As for news stories that Moussa would return to Lebanon to resume his efforts, Derar dismissed them as mere speculation. Moussa told Derar that he would come back if there were some reason to, such as an indication that the conditions might be riper for success. However, apart from the intransigence of the principal parties in the conflict, Nabih Berri's leaked December 27 proposal to transform Siniora's government into a "caretaker" government also undercut Moussa's efforts.